

AGENDA ITEM: Library of California/CLSA Transition**ISSUES TO COME BEFORE THE BOARD AT THIS MEETING:**

1. Consider goals for transition of CLSA programs to the Library of California.
2. Discuss Board priorities for transition planning and resolution of transition issues.

RECOMMENDED MOTION FOR CONSIDERATION BY THE BOARD: I move that the Library of California Board affirm its motion taken at the February 2002 Board Meeting: *It was moved by the Budget and Planning Committee (Kallenberg) and carried by a vote of 3-2 that the Library of California Board requests Regional Library Networks and CLSA Cooperative Library Systems to augment their Plans of Service for FY 2002/2003 to include a description of planning efforts to be undertaken to further the transition of CLSA into LoC with the goal of completing transition with the start of the 2005/2006 fiscal year and that the Chief Executive Officer direct staff to develop questions related to transition to be included in each Regional Library Network and CLSA Cooperative Library System Plan of Service.*

Recommendation:

Staff is concerned that the motion as passed at the February 2002 Board meeting is not one which the library community supports even if they favor continued planning for transition. Staff believes that planning for transition must continue as the issues identified will not be resolved without such a process. Staff also believes that setting transition targets is essential for the planning process to proceed and for issues to be resolved. Targets and goals can be changed should conditions exist that do not support continuation into transition, but if they are not set, no action is likely to occur. Staff recommends that the Budget and Planning Committee fully discuss the materials from the May 1 meeting and the information presented in the letters from the field, and either confirm the existing motion or draft a revised motion which the Board can support.

PROGRAM UPDATE

During the Budget and Planning Committee meeting in February 2002, the committee and staff began the discussion of how and when to transition CLSA programs and services to the Library of California as required by the LoC Act.

At the February 2002 Board meeting, there was extended discussion about transitioning CLSA programs and services into the Library of California. At the time of this discussion and vote, there was not a quorum. In support of the motion, Board member Kallenberg recommended that we need to begin that process of asking questions and getting information. He also recommended that we should not put off discussing the issues and challenges and opportunities that are going to be available when transition is complete, so that we know what is achievable. Board member Steinhauser recommended that the planning be done now, emphasized the importance of the motion, and recommended that action plans be associated with funding for programs. The Board solicited comments from audience members, many of whom represented LoC regional library networks and CLSA systems. Among the concerns expressed were the following:

- Funding for both LoC and CLSA is insufficient to provide adequate support for combining programs, so both would suffer should these resources be combined;
- Many questions remain unanswered about the development of Library of California programs, and they should be addressed before transition is considered;
- Differing opinions and understanding of the meaning of a goal for transition and what exactly transition meant;

In addition, there was discussion of the comments made by Senator Alpert at the Legislative Committee meeting concerning ways to encourage funding for the LoC with the legislature. Senator Alpert recommended that the following elements were necessary to present a meaningful picture of the LoC to the Legislature. These included:

- Developing a vision of the Library of California from the user's perspective that shows what it can provide if funded;
- Developing a cost model for the LoC that shows what additional funding will provide;
- Preparing regular progress reports on the LoC and what it is and has provided to Californians;
- Increasing grass roots support for the LoC so that the Legislature hears about it from their constituents.

The vote which followed this discussion resulted in a 3-2 vote for the motion. Staff indicated that a meeting of regional library network contacts was planned for May 1, and that CLSA system chairs and staff would also be invited to that meeting to begin discussion of transition issues. The topics for discussion at that meeting would be both transition issues in general and a follow-through on the motion's requirement to develop questions about transition to be part of region and system plans of service.

LOC/CLSA CONTACTS MEETING, MAY 1, 2002

The meeting took place at the Sacramento Sheraton, and 30 representatives from all regions and systems participated. Staff opened the meeting by providing an overview of the language in the LoC Act concerning transition. The information sheet is provided as Exhibit A. The LoC Act specifies that plans of service must address issues of transition,

that LoC will be considered implemented “when all program elements and services of the CLSA have been replaced and augmented,” and that a transition period exists within the legislation so that services and funding can be developed.

Mark Parker then presented two charts that described in varying ways a possible overall vision of the Library of California. Both charts assume that CLSA services and programs are incorporated into the LoC. Each of the charts includes LoC funded and projected services/programs and current and possible LSTA-funded services/programs. The first chart, included with this document as Exhibit B, provides a vision of the LoC from the library user’s perspective. The second chart, included with this document as Exhibit C, explains the model from a programmatic perspective, identifying those elements now funded through LSTA. A further explanation of both charts will be provided at the committee meeting.

In addition to these materials, current LoC membership statistics were provided. These are included in this packet with Document 14, Regional Library Network Development document, Exhibit D. Two other information sheets were provided. These were the comparison of current CLSA program and LoC program budgets and the outline of system and local expenditures, which are included with this document as Exhibit D and E respectively. Staff is also including as Exhibit F the first draft of a document that looks at the progress already made toward transitioning.

Following staff presentations, participants broke into small groups to define the current transition issues that they had. These were compiled into a single list and reviewed for clarity by the entire group prior to the close of the meeting. Following the meeting, staff reorganized the list of issues under general headings, as several questions were very similar. This reorganized list of questions was sent back out to all participants for their comment and review. The list is appended to this document as Exhibit G.

FIELD COMMENTS

Following the last LoC Board meeting, the LoC Team has not only attended LoC regional library network meetings but have also attempted to attend meetings of all the CLSA systems. As a result, there has been an increased amount of discussion between the LoC team, regional network boards and staff, and CLSA system boards and staff. The LoC team members learned that a number of groups were particularly concerned about the motion the LoC Board made and accepted at the February meeting, and that a number of groups were planning to write letters to the Board expressing their concern. Letters received to date are included with this document as Exhibit H. Should additional letters be received before the May meeting, staff will provide copies at the meeting.

STAFF COMMENTS

The list of questions from the contacts’ meeting and the concerns raised in the letters received are starting points for further investigation. Staff recognizes the need to not

merely respond to the concerns raised, but to thoroughly address the issues and resolve them if possible. Staff needs the Board to provide direction on the Board's priorities so that staff efforts are focussed on those issues that the Board sees as most crucial to resolve.

Two areas specifically need to be addressed by the Board:

1. Setting planning goals or targets for transition, and
2. Deciding on the scope of the vision for the LoC that should be incorporated into the planning effort.

RELATED ISSUES TO COME BEFORE THE BOARD IN THE FUTURE:

1. Discuss and consider models for Library of California development and transition.
2. Discuss and consider transitional issues related to regional library network services.

Relevant Committee: Budget and Planning

Staff Liaison: Diana Paque/Mark Parker

ARTICLE 5. REGIONAL LIBRARY NETWORK SERVICES

Sec. 18840. Required Plan

To be eligible for funds under this article, a regional library network shall submit a plan to the state board for approval. The plan shall include all of the following:

- (a) An organizational structure.
- (b) Bylaws.
- (c) Membership policies, assuring that all eligible libraries in eligible public library jurisdictions and in eligible institutions in the geographic region will be enabled to participate.
- (d) *A long-range plan, including the transition of services from the California Library Services Act to the Library of California Act, the criteria and functions for regional resource libraries, and the linkages with information agencies in the region.*
- (e) The endorsement of the charter members. The charter members shall include more than one type of library.
- (f) Geographical contiguity.

ARTICLE 7. STATE FUNDING

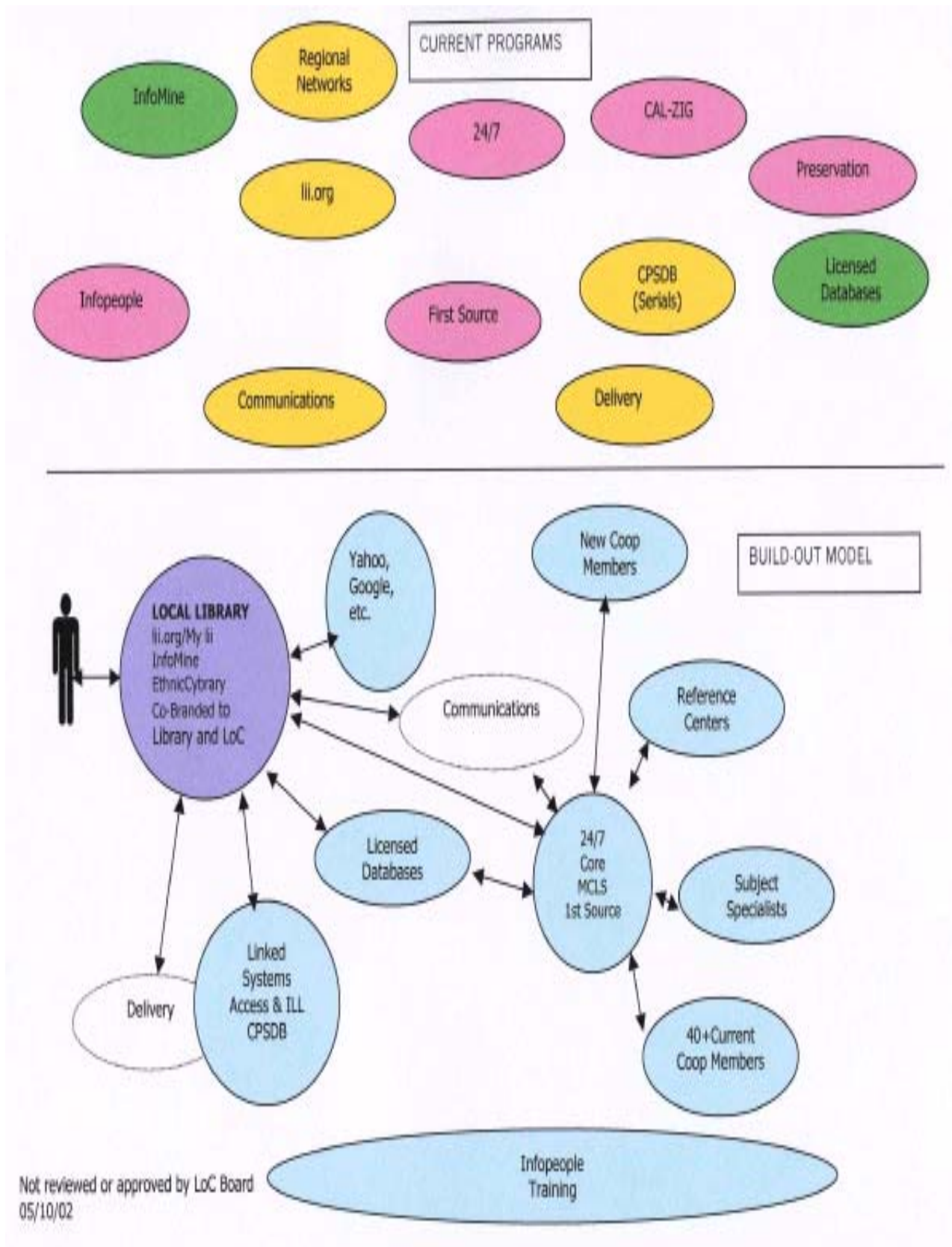
Sec. 18864 Transition period.

There shall be a transition period from California Library Services Act services and funding to the Library of California Act services and funding.

ARTICLE 8. TRANSITION

Sec. 18870 Transition period.

- (a) *The transition period from the California Library Services Act to the Library of California Act shall begin on the effective date of this chapter.*
- (b) *As new program elements and state funds are phased in to implement this chapter, they will replace and augment the corresponding elements and funds in the California Library Services Act.*
- (c) When all program elements of the California Library Services Act have been replaced and augmented under the provisions of this chapter, the California Library Services Act as set forth in Chapter 4 (commencing with Section 18700) is hereby repealed unless a subsequent act of the Legislature continues it in full force and effect. During the transition period this chapter shall control in cases of conflict between this chapter and the California Library Services Act. The state board shall file a written notice with the Secretary of the Senate and the Chief Clerk of the Assembly notifying the Legislature of the fact, and date, of full implementation of this chapter.



**2002/03 Proposed Budget Appropriation
as of January 2002**

| CLSA Programs | LoC Programs |
|---|---|
| CLSA Program Budget.....\$21,120,000 | LoC Program Budget.....\$3,390,000 |
| TBR.....\$12,145,000 <ul style="list-style-type: none"> • ILL (approx. 37% of TBR budget) • Direct Loan (approx. 63% of TBR budget) | Compensation Program.....\$ 408,488 <ul style="list-style-type: none"> • ILL (funded) • Patron referral • Direct Loan • Electronic direct access • Document delivery |
| Statewide Services: Statewide Data Base.....\$ 275,000 <ul style="list-style-type: none"> • Subsidies • One-time grants <ul style="list-style-type: none"> - retrospective conversion - enhancement of catalog records - Z39.50 server software | Statewide Services..... \$ 281,360 <ul style="list-style-type: none"> • Cooperative, coordinated resource development <ul style="list-style-type: none"> - Librarians' Index to the Internet (funded) - LoC Periodicals/Serials database (funded) • Telecommunications infrastructure • Communications system • Delivery system • Bibliographic records database • Continuing education clearinghouse • Specialized information expertise & resources • Information service enhancements within the service area • Public awareness • Preservation information center (includes training) • Underserved programs • Statewide coordination • Major resource libraries |
| State Reference Centers.....not funded | |
| Statewide Comm. & Delivery.....not funded | |
| System-level Programs.....\$ 3,226,000 <ul style="list-style-type: none"> • System Reference (\$1,524,000) <ul style="list-style-type: none"> - general improvement of local reference service; - improvement of reference services to the underserved; and - interlibrary reference • System Comm. & Delivery (\$1,020,000) • System Advisory Board (\$36,000) • System PC&E (Admin.) (\$645,200) | Regional Library Network Services.....\$2,700,152 Required services: <ul style="list-style-type: none"> • Administration, development/support of Regional library council • Telecommunications • Regional Communications • Online access to information files • Intraregional Delivery • Training, continuing education • Information & referral services • Public Awareness Optional services: <ul style="list-style-type: none"> • Cooperative, coordinated resource development • Underserved services |
| Special Services Program.....\$ 5,474,000 <ul style="list-style-type: none"> • California Library Literacy Service Act (\$4,090,000) • Families For Literacy Act (\$1,384,000) | |

LOCAL MEMBER CONTRIBUTIONS TO CLSA SYSTEM PROGRAMS

| | Reference | Reference | for Reference | Comm & Delivery | Comm & Delivery | Comm & Delivery |
|----------------|--------------|------------|---------------|-----------------|-----------------|-----------------|
| BALIS | 63% | 37% | \$ 161,686 | 99% | 1% | \$ 49,367 |
| BLACK GOLD | 94% | 6% | 65,192 | 79% | 21% | 72,518 |
| 49-99 | 83% | 17% | 78,457 | 52% | 48% | 97,146 |
| INLAND | 75% | 25% | 190,026 | 86% | 14% | 128,719 |
| MCLS | 100% | 0.1% | 250,622 | 100% | 0% | 101,303 |
| MOBAC | 97% | 3% | 64,051 | 84% | 16% | 62,612 |
| MMLS | 81% | 19% | 131,279 | 84% | 16% | 106,624 |
| NORTHBAY | 81% | 19% | 135,666 | 56% | 44% | 129,710 |
| NORTH STATE | 90% | 10% | 93,567 | 92% | 8% | 128,329 |
| PENINSULA | 13% | 87% | 462,218 | 22% | 78% | 182,702 |
| SMLS | 38% | 62% | 224,956 | 14% | 86% | 489,293 |
| SANTIAGO | 100% | 0% | 89,526 | 91% | 9% | 51,589 |
| SERRA | 75% | 25% | 159,774 | 81% | 19% | 87,734 |
| SILICON VALLEY | 73% | 27% | 97,849 | 98% | 2% | 40,597 |
| SOUTH STATE | 99% | 1% | 95,555 | 91% | 9% | 45,682 |
| TOTAL PERCENT | 65% | 35% | 100% | 57% | 43% | 100% |
| TOTAL EXPEND. | \$ 1,501,601 | \$ 798,823 | \$ 2,300,424 | \$ 1,010,400 | \$ 763,525 | \$ 1,773,925 |

2000/01 expenditures:

| | CLSA | Local | LSTA | Total |
|-----------------------|-----------------|--------------------------------|--------------|-----------|
| Administration | 636,999 (18.3%) | 2,832,230 ¹ (81.4%) | 10,907 (.3%) | 3,480,136 |
| Reference | 1,501,601 (65%) | 798,823 ² (35%) | | 2,300,424 |
| Comm & Delivery | 1,010,400 (57%) | 763,525 ³ (43%) | | 1,773,925 |
| Advisory Boards (SAB) | 31,911 (93%) | 2,381 ⁴ (7%) | | 34,292 |
| Total | 3,180,911 (42%) | 4,396,959 (58%) | | 7,588,777 |

¹ all systems contributed local funds to support system administration

² all but one system (Santiago) used local funds to support Reference

³ all but one system (MCLS) used local funds to support C&D

⁴ most systems did not use local funds for the SAB program (5 did)

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**Library of California Regional Contacts' and CLSA System
Representatives' Meeting May 1, 2002**

| Issue/Area | Transition Question/Issue to be Addressed |
|-------------------|---|
| administration | How can public libraries participate in LOC without increase in costs for participation? (e.g., travel time and mileage for participation, system administration) |
| administration | Do we need to eliminate the administration of networks? (e.g., attorneys, secretaries, other administrative overhead in money/time – more done at statewide level) |
| administration | Many regions contract with CLSA. How will this be organized? |
| administration | How can the State share more information and models to assist the mergers and shared services within CLSA/other participants in the transformation process (i.e., PERS, contracts, legal issues)? |
| administration | Duplication of regional administration/staff, &c. |
| administration | Why are we asking detailed (PERS, &c.) questions when there is no funding? |
| administration | Why deal with PERS and other detail issues when there are issues of broader nature that need to be addressed first? |
| administration | How will PERS and other retirement issues be resolved? |
| administration | Will employees work for the same or a different employing jurisdiction? |
| administration | What are the actual differences between administrative bodies under CLSA and LOCA? |
| administration | What happens to local retirement plans if 501C3 members are not eligible for PERS? |
| administration | How do we account for “tax funds” on required reports for non-profits? (Sierra Valley network – accounting issue, standard approach?) |
| administration | Why were the regions created? Why forcing regions into non-profit 501C3 formations? |
| bureaucracy | How can we reduce bureaucracy and associated costs and increase direct services at the local level? |
| bureaucracy | How can we get LOC to be more like PLF? Less bureaucracy. |

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| bureaucracy | How do we develop non-bureaucratic accountability? |
| dynamics of change | How to determine whether the SAB functions are incorporated into the Regional Library Network Boards and/or Councils? |
| dynamics of change | Is there general recognition an understanding of the dynamics of change on the cultures of all participating organizations? |
| dynamics of change | Have all participants attended Dynamics of Change Training? |
| funding | How can we define the State's (CLSA) standard of funded level of service so that local funds are not subsidizing State services (but are a local option to provide a higher level of service)? |
| funding | Public libraries want higher level than base funding for LOC; how can this be allowed in LOC? |
| funding | Local contributions for services above and beyond current CLSA dollars are also not addressed in funding model and this needs to be addressed further. |
| funding | Reimbursements and literacy are strong, popular components of CLSA, but continue to be under-funded. |
| funding | Could a regional network require fees to join when State legislation states fully-funded services? Fees are used for non-mandated services. In other words, can you join a network for state-supported services only (limited services) when most network members pay for additional services? Can a network deny membership to someone who doesn't want to pay? |
| funding | How much will an adequate Library of California program cost? |
| funding | What are the local responsibilities and the State responsibilities in providing services? Do local funds subsidize CLSA functions? How? |
| legislation | How does legislation need to be changed? What does CLSA do that LOC doesn't allow for? Why doesn't LOC use CLSA system structure? |
| legislation | Is it time to reexamine the legislation and clarify concerns? |
| legislation | Are there issues in the law that would make for an easier transition? (e.g., change JPA law to include libraries of private, for-profit entities in LOC) |
| legislation | Should legislation be changed or amended? (needs to be looser) |

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| legislation | Technology has out distanced the legislation and has never been addressed. |
| LOC | How do we demonstrate tangible results of LOC to the Legislature to leverage more funding? |
| LOC | What would happen if LOC went away? How would libraries feel now that it has begun to be implemented? |
| LOC | Libraries in California have never made this a priority. Public, school, special, and academic libraries each have their own constituencies with their own issues and LOC has never been the highest priority. How do we demonstrate (the value of LOC)? Would we make it a priority? |
| LOC | Vision of LOC as mulit-type, resource-sharing program has been defined and does not need to be revisited. (?) |
| LOC | How can LOC facilitate the merger of strong and weak systems within a region? |
| LOC | How was the LOC timeline determined? |
| LOC | Where does the ultimate power lie? Who determines the timeline? Who determines the priority of programs for transition? |
| LOC Board | Time limit being set by LOC Board is unrealistic/inappropriate given existing funding. |
| LOC Board | Statutory authority of LOC Board with expired terms. |
| LSTA | Will enhanced LSTA funds be used only or especially to bolster LOC? How can the various “applications” of LSTA funding be balanced? If LSTA money were doubled, where would it go? |
| public | How can public libraries participate in LOC without loss of quality of CLSA services (reference, communication, delivery, SAB)? |
| public | How can public libraries become “trustful” of the LOC? How do non-public libraries become “trustful” of the CLSA? |
| public | How do we create a vision/plan that can be supported by the Legislature and tell the LOC story so that public library systems feel enlarged and transformed rather than diminished and killed? (e.g., holdback of TBRs for public libraries) |
| public | Lack of trust by public libraries toward LOC – really a dollar issue if PLF fully funded, feelings may be different. |

- resource sharing How do we transition different reimbursement schedules? (TBRs cannot go away)
- resource sharing Where are the concepts of “equal access” and “universal access” in LOC?
- resource sharing Resource sharing is the whole purpose. So concentrate on one or more programs to do well related to resource sharing. Showcase
- resource sharing Don’t reduce CLSA reimbursements (TBR) so that non-public libraries can be funded at the same level.
- resource sharing What are the specific issues to examine in the ILL reimbursement program?
- resource sharing What are the specific issues to examine in the Direct Loan reimbursement program?
- schools What are incentives for schools to join LOC?
- schools “Combine” pots of money – like textbooks and school libraries -- and libraries lose?
- services Is it legally possible to establish a “base level of services” and charge for additional/enhanced services? Can this be done on a regional level or must it be statewide?
- services What are the services to be delivered? How do we measure success?
- services How do we develop a baseline for determining when LOC-supported services are equal or better than CLSA-supported services?
- services Can we establish what the State-funded baseline of service should be?
- services What happens to services locally funded (by member dues) CLSA systems?
- services More efficient, less duplicative delivery of reference services (minimizing duplication of efforts at reference centers)
- services Base level of service has never been defined. Transitional/equitable levels of service are different for CLSA systems.
- services What are the programs of service that can best be processed as discrete units?
- services Is the target service program equitable for all types of libraries?
- services What level of a target service is funded by CLSA dollars?

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| services | What level of service in addition to that paid by CLSA dollars exists? |
| transition process | Public libraries have come to rely on consortial services that aren't being addressed in the current models or are transitioning to things that aren't necessarily the same. (locally funded services) |
| transition process | How will the transition process deal with a CLSA system area if transition will result in the elimination of a CLSA system and 100% of the CLSA members do not join/cannot afford to join the network? |
| transition process | Will the LOC Board transition programs on a program-by-program basis and, therefore, have different dates for the transition of those programs? Can transition occur region-by-region? |
| transition process | What methodology will be used to determine what, when, how a transitional change is complete? |
| transition process | What are the various modules of concern that will be processed? |

LoC & LSTA Programs of Service Developing an Integrated Model

Borrower/User Services

Delivery
Direct Borrowing
Direct Electronic Borrowing
ILL—library mediated
ILL—patron placed
CA-library-user authentication

Delivery IN region

Linked catalogs
Patron
Authentication
Periodical/Serial
Database
Delivery BETWEEN regions
Protocol development

Finding Tools for Library Users and Library Staff

lil.org
Linked Catalogs
Ethnicitybrary
Periodicals/Serials Databases
Digitized Local Indexes

lil.org AMIGOS

Linked catalogs
ethnicitybrary.org
period/serial database
Digitization

Technical Infrastructure

Technical Readiness
Big Connections
Problem-solving Resource

CAL-ZIG
Linked catalogs
Periodical/Serial Database

Member Services

Communication Infrastructure
Problem-solving Resource
Preservation & Disaster Services

e-discussion/loctite +
AMIGOS
Regional Contacts' Meetings
Preservation Task Force

Training and Continuing Education

Library Skills Improvement
Product-specific Training
General Business Development

InfoPeople
Disaster Planning

Legend

LIBRARY SERVICES
= white spaces

CURRENT, PILOT, PLANNED PROGRAMS TO DELIVER SERVICES
= yellow spaces

LoCA Funded

LSTA
Funded

Not Yet Funded

lil.org
24/7 Reference
ethnicitybrary.org
firstsource print resource
my lil (with infomine+)
infopeople
Linked Catalogs
Digitization
Periodical/Serial Database